

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION
CIVIL ACTION NO. 3:19-CV-301**

GERBER NATIONAL CLAIM SERVICES,
LLC,

Plaintiff,

vs.

CAROLINA TECHNOLOGY EXCHANGE,
LLC, and BLUEVINE CAPITAL, INC.,

Defendants.

DEFAULT JUDGMENT

Before this Court is Interpleader Defendant/Counterclaimant Bluevine Capital, Inc.’s (“BlueVine”) Motion for Default Judgment against Carolina Technology Exchange, LLC (“CTE”) (ECF No. 22).

Interpleader Plaintiff Gerber National Claim Services, LLC (“Gerber”) filed its Verified Complaint in Interpleader on June 27, 2019 (the “Complaint”). (ECF No. 1). Gerber subsequently deposited certain funds with the Court Registry in the approximate amount of \$38,117.63 (the “Disputed Funds”). The Complaint names BlueVine and CTE as the only two claimants to the Disputed Funds.

It appears to the Court that valid and lawful service was had upon CTE; that the Court has jurisdiction over the parties to and subject matter of the action; and that CTE is otherwise subject to the entry of a default judgment. CTE was served with the Summons, Complaint, and Order (ECF No. 8) by the U.S. Marshals Service on September 4, 2019. (ECF No. 16). CTE’s time to answer expired on September 25, 2019. The Clerk entered default against CTE on October 4, 2019. (ECF No. 20). “A named interpleader defendant who fails to answer the

interpleader complaint and assert a claim to the res forfeits any claim of entitlement that might have been asserted.” Sun Life Assurance Co. of Canada (U.S.) v. Conroy, 431 F. Supp. 2d 220, 226 (D.R.I. 2006). Accordingly, CTE has forfeited any claim to the Disputed Funds and is subject to a default judgment. See, e.g., Protective Life Ins. Co. v. Tinney, No. 2:14-cv-02251-TMP, 2015 WL 1402464, at *4 (N.D. Ala. Mar. 25, 2015).

As the only non-defaulting interpleader defendant, BlueVine is entitled to the Disputed Funds. See Nationwide Mut. Fire Ins. Co. v. Eason, 736 F.2d 130, 133 n.4 (4th Cir. 1984) (“[I]f all but one named interpleader defendant default[s], the remaining defendant [is] entitled to the fund.”).

IT IS HEREBY ORDERED, ADJUDGED, and DECREED that:

1. Interpleader Defendant/Counterclaimant Bluevine Capital, Inc.’s Motion for Default Judgment against Carolina Technology Exchange, LLC (ECF No. 22) is GRANTED;
2. A default judgment is entered against CTE and in favor of BlueVine;
3. The Disputed Funds on deposit with the Court Registry shall be disbursed to Bluevine Capital, Inc.

Signed: October 28, 2019


Frank G. Johns, Clerk
United States District Court

